## AMENDED IN SENATE APRIL 16, 2012 AMENDED IN SENATE MARCH 28, 2012 AMENDED IN SENATE MARCH 14, 2012

SENATE BILL

No. 952

## **Introduced by Senator Alquist**

January 5, 2012

An act to add and repeal Section 89517.5 of the Education Code, relating to postsecondary education, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

SB 952, as amended, Alquist. California State University: Public postsecondary education: employee compensation.

Existing law establishes the California State University, under the administration of the Trustees of the California State University, as one and the University of California, under the administration of the Regents of the University of California, as 2 of the segments of public postsecondary education in the state.

This bill would prohibit, on or after from July 1, 2012, and until July 1, 2018 to June 30, 2014, inclusive, the Trustees of the California State University from entering into, or renewing, a contract that provides for a compensation increase for any president of a California State University campus of more than 10% using General Fund moneys employee whose annual salary exceeds \$200,000 from General Fund sources, as defined, in the fiscal year during which the contract is executed, relative to the immediately past prior contract for that same position.

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The bill would prohibit, on or after June 1, 2014, and until July 1, 2018, the trustees from entering into, or renewing, a contract that provides for a compensation increase of more than 10% for a California State University employee whose annual salary exceeds \$200,000 from General Fund sources in the fiscal year during which the contract is executed, relative to the immediately prior contract for that position.

The bill would encourage the Regents of the University of California to adopt a policy that reflects the goals of this bill.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 89517.5 is added to the Education Code, 2 to read:

3 89517.5. (a) On or after-From July 1, 2012, to June 30, 2014, 4 inclusive, the Trustees of the California State University shall not enter into, or renew, a contract that provides for a compensation 6 increase for any president of a California State University campus 7 of more than 10 percent using General Fund moneys employee 8 whose annual salary exceeds two hundred thousand dollars (\$200,000) from General Fund sources in the fiscal year during 10 which the contract is executed, relative to the immediately past 11 *prior* contract for that same position.

- (b) On or after July 1, 2014, the trustees shall not enter into, or renew, a contract that provides for a compensation increase of more than 10 percent for a California State University employee whose annual salary exceeds two hundred thousand dollars (\$200,000) from General Fund sources in the fiscal year during which the contract is executed, relative to the immediately prior contract for that position.
- 19 (c) For purposes of this section, "General Fund sources" 20 includes appropriations from the General Fund and student fee 21 revenues.
- (d) The Regents of the University of California are encouraged
  to adopt a policy that reflects the goals of this section.

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(e) This section shall become inoperative on July 1, 2018, and, as of January 1, 2019, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2019, deletes or extends the dates on which it becomes inoperative and is repealed.

 SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to respond to and alleviate the effects of the state's current fiscal crisis and the resulting additional budget cuts and tuition increases for the California State University, it is necessary for this act to take effect immediately.